

1 Traeger Machetanz, Esq.  
Thomas R. Krider, Esq.  
2 OLES MORRISON RINKER & BAKER, LLP  
745 Fourth Avenue, Suite 502  
3 Anchorage, AK 99501-2136  
Telephone: (907) 258-0106  
4 Telecopier: (907) 258-5519

5 Attorneys for Nugget Construction Co., Inc.,  
6 and USF&G, Defendants

7 IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ALASKA AT ANCHORAGE

8 UNITED STATES OF AMERICA for the )  
use of NORTH STAR TERMINAL & )  
9 STEVEDORE COMPANY, d/b/a NORTHERN )  
STEVEDORING & HANDLING, and NORTH )  
10 STAR TERMINAL & STEVEDORE COMPANY, )  
d/b/a Northern Stevedoring & )  
11 Handling, on its own behalf, )

No. A98-009 CIV (TMB)

12 Plaintiffs, )

13 and )

14 UNITED STATES OF AMERICA for the )  
use of SHORESIDE PETROLEUM, INC., )  
d/b/a Marathon Fuel Service, and )  
15 SHORESIDE PETROLEUM, INC., d/b/a )  
Marathon Fuel Service, on its own )  
16 behalf, )

17 Intervening Plaintiffs, )

18 and )

19 METCO, INC., )

20 Intervening Plaintiff, )

21 vs. )

22 NUGGET CONSTRUCTION, INC.; SPENCER )  
ROCK PRODUCTS, INC.; UNITED )  
23 STATES FIDELITY AND GUARANTY )  
COMPANY; and ROBERT A. LAPORE, )

24 Defendants. )  
25

ERRATA REGARDING:  
NUGGET'S RESPONSE TO MOTION  
FOR SETTLEMENT CONFERENCE  
(CORRECTING SIGNATURE AND  
CERTIFICATE OF SERVICE DATES

1 At the June 8, 2006 status hearing, the Court asked the parties  
2 whether there was any reason to set a settlement conference. Given  
3 counsels' responses, the Court correctly inferred that there was no  
4 point in doing so then. So what has changed since then? The answer  
is: nothing.

5 Settlement attempts to date have been fruitless and there is no  
6 reason to believe this would change absent some dramatic turn of  
7 events in the case. Should such a change occur, however, Nugget is  
8 more than willing to try and settle this matter and would be agreeable  
9 to another settlement conference. However, as the Court is aware  
10 (based on pleadings filed by USF&G), Shoreside and Metco were recently  
11 each made settlement offers in accordance with Judge Holland's 2002  
12 decision, including interest and attorneys' fees,<sup>1</sup> and declined to even  
13 acknowledge those offers, much less accept them, and no counteroffers  
have been received.

14 Based on this, Nugget's response on June 8 is the same as it is  
15 now: there is no reason to hold a settlement conference prior to a  
16 decision on the outstanding Motions for Summary Judgment on  
17 Plaintiffs' State law claims. It is apparent that the existence of  
18 these baseless claims, particularly those sounding in tort, precludes  
meaningful settlement discussions.

19 It is also quite surprising that Plaintiffs would suggest Judge  
20 Holland as the settlement judge. Given Judge Holland's history in  
21 this matter, Nugget does not believe that he would be the most  
22 effective mediator and would ask that another judge be appointed.

---

23  
24 <sup>1</sup> These offers were made not because Nugget believes Plaintiffs are entitled  
25 to full recovery, but because Nugget fully expected to have them rejected,  
thereby allowing Nugget to seek its attorneys' fees after trial.

1 Dated: July 6, 2006

2 OLES MORRISON RINKER & BAKER LLP  
3 Attorneys for Nugget Construction,  
4 Inc., and United States  
5 Fidelity and Guaranty Co.

6 By: s/Thomas R. Krider

7 Thomas R. Krider

8 krider@oles.com

9 Washington Bar No. 29490

10 745 West 4<sup>th</sup> Avenue, Suite 502

11 Anchorage, AK 99501

12 Phone: (907) 258-0106

13 Fax: (907) 258-5519

14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
  
OLES MORRISON RINKER & BAKER LLP  
745 West Fourth Avenue, Suite 502  
Anchorage, Alaska 99501-2136  
Tel: (907) 258-0106 Fax: (907) 258-5519

*U.S. ex rel. North Star, et al. v. Nugget Construction, et al.*

Case No. A98-009 CIV (TMB)

Errata re: Response to Motion for Settlement Conference -- Page 2 of 3

CERTIFICATE OF SERVICE

I hereby certify that on this 6th  
day of July, 2006, a true and correct  
copy of the foregoing was served

electronically, via ECF on:

Michael W. Sewright, Esq.  
mws@bpk.com

David W. Pease, Esq.  
dwp@bpk.com

Burr, Pease & Kurtz  
810 N Street  
Anchorage, AK 99501

Steven J. Shamburek, Esq.  
shamburek@gci.net  
Law Office of Steven J. Shamburek  
425 G Street, Suite 630  
Anchorage, AK 99501-5872

Paul Stockler, Esq.  
paulstockler@aol.com  
1309 West 16<sup>th</sup> Avenue  
Anchorage, AK 99501

Herbert A. Viergutz, Esq.  
barmar@gci.net  
Barokas Martin & Tomlinson  
1029 West Third, Suite 280  
Anchorage, AK 99501

C. Patrick Stoll, Esq.  
cps@hvslaw.com  
Herrig Vogt & Stoll LLP  
4210 Douglas Bay Blvd., Suite 100  
Granite Bay, CA 95746-5902

OLES MORRISON RINKER & BAKER LLP

By: s/Thomas R. Krider

P-TRK Response to Motion for Settlement Conference 99310.0002.doc

*U.S. ex rel. North Star, et al. v. Nugget Construction, et al.*  
Case No. A98-009 CIV (TMB)  
Errata re: Response to Motion for Settlement Conference -- Page 3 of 3